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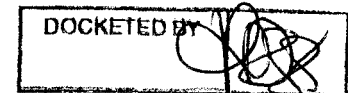
REFER TO FILE NO. 109-29-15

May 27, 2011

Kimberly Ruht, Esq.
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

MAY 27 2011



Re: Navopache Electric Cooperative, Inc. Rate Case
Docket No. E-01787A-11-0186

Dear Ms. Ruht:

Thank you and Staff for the call on Monday. We understand that Staff is requesting Navopache Electric Cooperative, Inc. supplement its rate application (which is based upon a test year ending 4/30/10 and filed 4/30/11) with the following Schedules based upon data for the entire calendar year 2010:

- A bill Count (ACC Schedule H-5)
- A comparison of Revenues by Customer Classification at present and proposed rates (NEC Schedule H-1)
- A schedule listing long term debt obligations as of 12/31/10 (NEC Schedule D-2.1)
- A monthly schedule of TIER for periods ending 12/31/09, 12/31/10 and projected for 12/31/11 (NEC Schedule F-5.0)
- Schedule B 1.0 providing the OCLD rate base
- Schedule E-17.0 – Calculation of Adjusted Revenues - Arizona
- Schedules N-1.0 and N-1.1 – Calculation of Proposed Revenues
- Schedule N-2.0 – Calculation of Base Power Cost
- Schedule N-2.1 – Calculation of Proposed PCA Revenue
- Brief Direct testimony discussing the foregoing schedules

Navopache is willing to comply with Staff's request based upon the following understandings:

- Staff will not require Navopache to update the cost of service and financial forecasts (including supporting schedules) prepared by Navopache's consultant, C. H. Guernsey, utilizing the original test year (4/30/10).
- Navopache may propose new rates and charges based upon the adjusted test year ending 4/30/10.
- The final proof of revenue will be based upon calendar year 2010 billing determinants, as they may be adjusted to reflect actual and on-going conditions.

Based upon the foregoing, Navopache is proceeding to prepare and file a supplement to its original filing (which was intentionally limited largely to the items expressly identified in A.A.C. R14-2-103(B)(3)) including, but not necessarily limited to:

- The schedules set forth on the enclosed Table of Contents based upon a test year ending 4/30/10 (incorporating those previously filed)
- The information requested by Staff (as listed above)
- Direct Testimony of David Hedrick and Rebecca Payne (supporting all schedules being submitted)
- Some slightly revised proposed tariff schedules

Navopache is also agreeable to Staff's request that the 30 day time period for Staff to determine sufficiency shall not commence until the docketing of the supplemental filing described above.

In agreeing to make the foregoing supplemental filing and to extend the time clock for determining sufficiency, Navopache seeks to avoid disputes and facilitate the processing of its rate application. Navopache request Staff make every effort to accelerate its sufficiency determination and the processing of its application, as most of the information will have been available to Staff several weeks by the time the supplemental filing is docketed.

Navopache's action, however, should not be construed as acknowledgement that its 4/30/2010 test year is stale or that its use constituted cause for Staff to find its application insufficient. To the contrary, Navopache's Chief Executive Officer submitted direct testimony with the application explaining the 12 month process Navopache followed in developing its filing, including a two month period needed to secure its Board approval of the filing. He also testifies that the adjusted test year data ending April 30, 2010 is representative of Navopache's current (April 2011) condition. Navopache encourages Staff to focus on the abbreviated filing requirements for distribution electric cooperatives set forth in A.A.C. R14-2-103(B)(3) when determining the supplemental filing's sufficiency.

Ms. Kimberly Ruht, Esq.

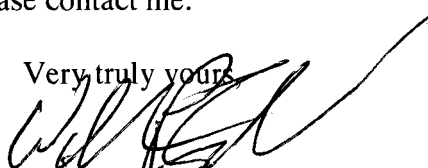
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Navopache looks forward to cooperatively processing its rate application as promptly and efficiently as possible, recognizing the staffing constraints faced by Staff and the Cooperative due to their respective budgetary limits.

Should you have any questions, please contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. P. Sullivan', written over the words 'Very truly yours,'.

William P. Sullivan

For the Firm

WPS/maw

Enclosure: Table of Contents of Schedules

Original + 13 copies filed with Docket Control

109\29-15\Letters\RuhtK (Waiver of Sufficiency Time Clock) 05-27-11

NAVOPACHE ELECTRIC COOPERATIVE, INC.

**RATE ANALYSIS
AND
COST OF SERVICE**

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A-3.0	Summary of Capital Structure (Not Submitted)
A-4.0	Construction Expenditures and Gross Utility Plant in Service (Not Submitted)
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SECTION B	RATE BASE SCHEDULES
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B-2.0	Original Cost Rate Base Pro Forma Adjustments (Not Submitted, but see Schedule B-1.0)
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B-5.0	Cash Working Capital
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E-4.0	Statement of Changes in Stockholders' Equity (Not Submitted)
E-5.0	Plant Balances
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Commercial and Industrial
Commercial and Industrial - Primary Commercial
and Industrial -Time of Use Commercial and
Industrial Primary -Time of Use Large
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